

Impact of the Governor's 2010-11 biennial budget on the City of Saint Paul

Prepared by the Office of Financial Services



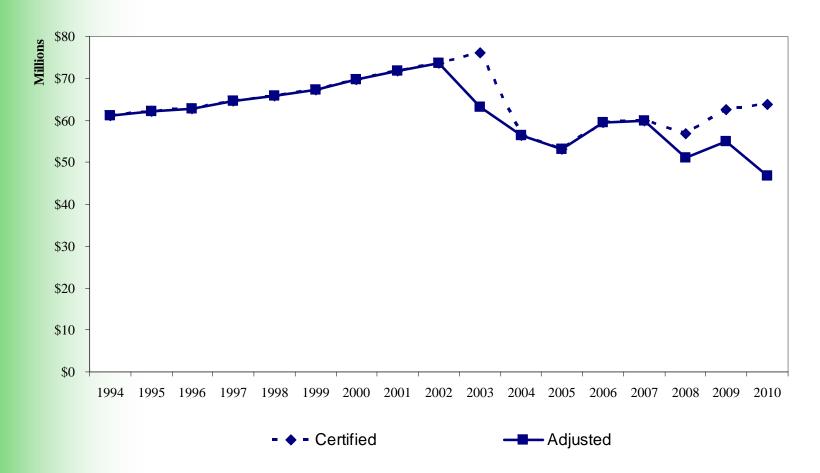
Impact of the Governor's Budget on the City

	2009	2010	2008-10
Governor's 2008 unallotment	(5.7)		
Governor's proposed cuts	(7.7)	(17.0)	
Add'l 2010 budget pressure (inflation)		(9.9)	
Add'l 2010 budget pressure (debt)		(3.5)	
Total challenge	(13.4)	(30.4)	(43.8)



LGA History and Trend

Saint Paul LGA 1994-2010





Timing of City Response—sooner vs. later

- ✓ While the Governor's budget is only the starting point, legislative deliberations could last into the summer
- ✓ If cuts to LGA occur, we are spending money we don't have
- ✓ Postponing actions requires deeper cuts later
- ✓ We will continue to advocate the importance of LGA to city services



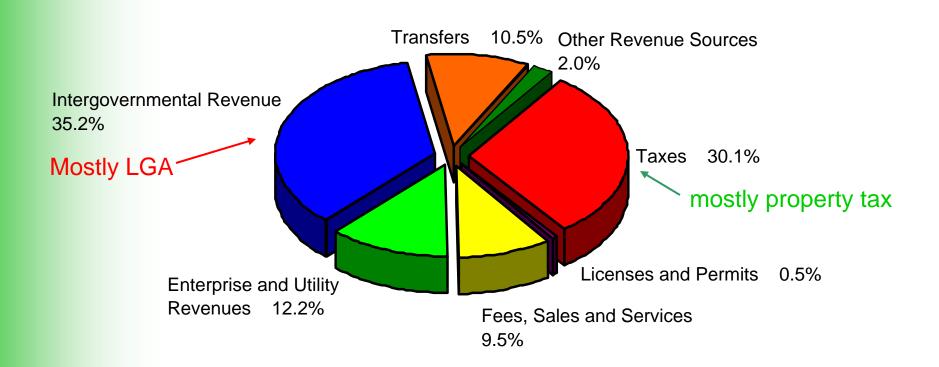
Be prepared for difficult decisions

- ✓ The Mayor will make strategic decisions that are long-term and sustainable
- Anticipate park and library closures, and public safety reductions
- ✓ Government services in Saint Paul will look different a year from now



Context: State aids and local property taxes comprise two-thirds of General Fund revenues

2009 GF Revenue By Source

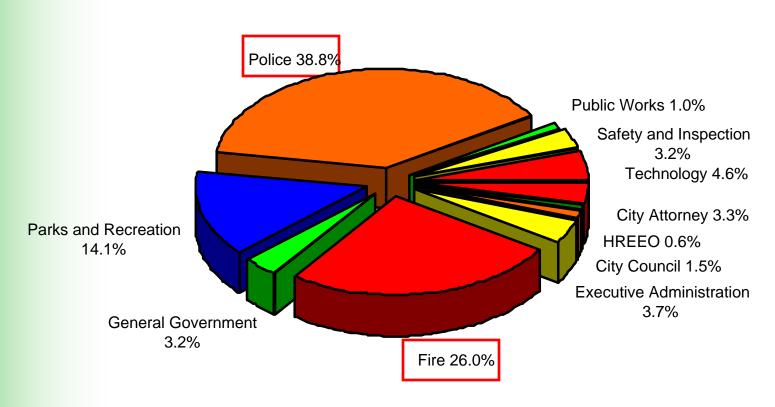




Context: Police and Fire services comprise two-thirds of GF spending

General Fund Budget

2009 Proposed Spending by Department

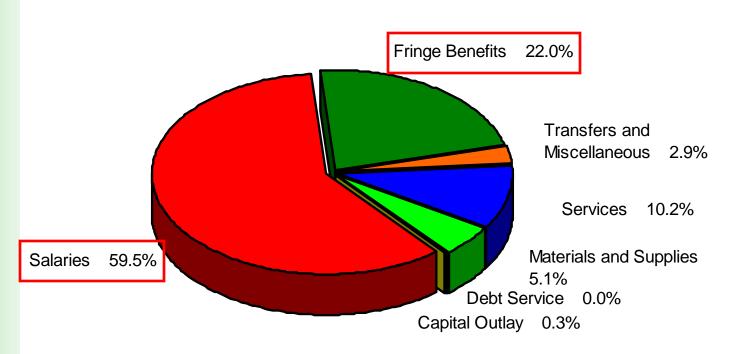




Context: Personnel costs account for 82% of the GF budget

General Fund Budget

2009 Proposed Spending By Major Object





Context: How do we get to \$30 million?

- ✓ Library operating budget--\$18 million
- ✓ City's Attorney Office--\$8 million
- ✓ Park and Rec centers (34)--\$8 million
- ✓ Fire Dept's GF budget--\$51 million
- ✓ Police Dept's GF budget--\$76 million